DEWEY PEGNO & KRAMARSKY LLP Thomas E.L. Dewey (TD-6243) Keara A. Bergin (KB-0831) 220 East 42nd Street New York, New York 10017 (212) 943-9000 Attorneys for Defendants and Counterclaimants

UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

JAMES BURKE and BRADLEY L. GROW, as the designated Sellers' Representatives, etc.,

Plaintiffs,

-against-

HESTIA HOLDINGS, LLC, EATERIES, INC. and FIESTA HOLDINGS, INC.,

Defendants.

HESTIA HOLDINGS, LLC, EATERIES, INC. and FIESTA HOLDINGS, INC.,

Counterclaimants,

-against-

JAMES BURKE and BRADLEY L. GROW, as the designated Sellers' Representatives, EATERIES HOLDINGS, LLC, THE BURKE FAMILY, LLC, BRADLEY L. GROW, THE GROW FAMILY LLC, THE BRADLEY L. GROW REVOCABLE TRUST, VINCENT F. ORZA, PATRICIA L. ORZA, PATRICIA LANDI ORZA TRUST, ALEXANDRA MARIA ORZA TRUST, PATRICIA L. ORZA TRUST, VINCENT F. ORZA JR. TRUST, J.B. EDWARDS, DOUG DAVIS, PHILLIPS, MCFALL, MCCAFFREY, MCVAY & MURRAH 401K PROFIT SHARING PLAN, D. KEITH MCFALL, and BILL TOTTY,

Counterclaim Defendants.

Civ. No. 07-9909 (HB)

STATEMENT PURSUANT TO FEDERAL RULE OF CIVIL PROCEDURE 7.1 Pursuant to Rule 7.1 of the Federal Rules of Civil Procedure and to enable judges and magistrate judges of the court to evaluate possible disqualification or recusal, the undersigned counsel for Defendants and Counterclaim Plaintiffs HESTIA HOLDINGS, LLC, EATERIES, INC. and FIESTA HOLDINGS, INC., private, non-governmental parties, certifies none of these parties are publicly held and none has a corporate parent, subsidiary, or affiliate that are publicly held.

Dated: November 29, 2007 New York, New York

DEWEY PEGNO & KRAMARSKY LLP

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